



**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AUDIT EXAMINATION OF THE
FORMER GREENUP COUNTY
SHERIFF'S SETTLEMENT - 1997 TAXES**

July 14, 1998

**EDWARD B. HATCHETT, JR.
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EXECUTIVE SUMMARY
GREENUP COUNTY
EARL R. MARSHALL, FORMER SHERIFF
1997 TAX SETTLEMENT

We have completed our audit of the former Greenup County Sheriff's 1997 tax account. The audit reports a deficit in the 1997 tax account.

The audit report contains the following comments or recommendations:

- Former Sheriff Earl R. Marshall Should Eliminate The Deficit In His 1997 Tax Account
- Former Sheriff Earl R. Marshall Should Have Paid The Boards of Education Their Proper Share Of Interest Earned On Investment Of School Taxes
- Former Sheriff Earl R. Marshall's County Revenue Bond Should Have Adequately Protected The County From Potential Loss
- Former Sheriff Earl R. Marshall Should Not Have Made Transfers Between The Tax Account And Fee Account
- Former Sheriff Earl R. Marshall Should Have Required Depository Institutions To Pledge Additional Securities Of \$1,878,879 As Collateral And Entered Into A Written Agreement To Protect Deposits

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Edward B. Hatchett, Jr. Auditor of Public Accounts

To the People of Kentucky

Honorable Paul E. Patton, Governor
John P. McCarty, Secretary
Finance and Administration Cabinet
Mike Haydon, Secretary, Revenue Cabinet
Honorable Robert W. Carpenter, Greenup County Judge/Executive
Honorable Keith Martin Cooper, Greenup County Sheriff
Honorable Earl R. Marshall, Former Greenup County Sheriff
Members of the Greenup County Fiscal Court

Independent Auditor's Report

We have audited the former Greenup County Sheriff's Settlement - 1997 Taxes as of July 14, 1998. This tax settlement is the responsibility of the former Greenup County Sheriff. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the Audit Guide for Sheriff's Tax Settlements issued by the Auditor of Public Accounts, Commonwealth of Kentucky. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The former Sheriff prepared his financial statement on a prescribed basis of accounting that demonstrates compliance with the cash basis and laws of Kentucky, which is a comprehensive basis of accounting other than generally accepted accounting principles.

The former Sheriff signed the Management Representation Letter with a qualification that he did not agree with financial adjustments made by the auditors. Based upon the findings of our audit, the former Sheriff has a deficit in his official tax account. If the Sheriff collects receivables at the end of his term to close out his tax accounts, the deficit will be eliminated.

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the former Greenup County Sheriff's taxes charged, credited, and paid as of July 14, 1998, in conformity with the basis of accounting described in the preceding paragraph.

To the People of Kentucky

Honorable Paul E. Patton, Governor

John P. McCarty, Secretary

Finance and Administration Cabinet

Mike Haydon, Secretary, Revenue Cabinet

Honorable Robert W. Carpenter, Greenup County Judge/Executive

Honorable Keith Martin Cooper, Greenup County Sheriff

Honorable Earl R. Marshall, Former Greenup County Sheriff

Members of the Greenup County Fiscal Court

Our audit was made for the purpose of forming an opinion on the financial statement taken as a whole. The schedule listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statement. Such information has been subjected to auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Based on the results of our audit, we have presented the accompanying comments and recommendations, included herein, which discuss the following areas of noncompliance:

- Former Sheriff Earl R. Marshall Should Eliminate The Deficit In His 1997 Tax Account
- Former Sheriff Earl R. Marshall Should Have Paid The Boards of Education Their Proper Share Of Interest Earned On Investment Of School Taxes
- Former Sheriff Earl R. Marshall's County Revenue Bond Should Have Adequately Protected The County From Potential Loss
- Former Sheriff Earl R. Marshall Should Not Have Made Transfers Between The Tax Account And Fee Account
- Former Sheriff Earl R. Marshall Should Have Required Depository Institutions To Pledge Additional Securities Of \$1,878,879 As Collateral And Entered Into A Written Agreement To Protect Deposits

In accordance with Government Auditing Standards, we have also issued a report dated May 25, 2000, on our consideration of the former Sheriff's compliance with certain laws and regulations and internal control over financial reporting.

Respectfully submitted,



Edward B. Hatchett, Jr.

Auditor of Public Accounts

Audit fieldwork completed -

May 25, 2000

GREENUP COUNTY
EARL R. MARSHALL, FORMER SHERIFF
SHERIFF'S SETTLEMENT - 1997 TAXES

July 14, 1998

<u>Charges</u>	<u>County Taxes</u>	<u>Special Taxing Districts</u>	<u>School Taxes</u>	<u>State Taxes</u>
Real Estate	\$ 688,196	\$ 1,456,521	\$ 4,228,446	\$ 1,227,804
Tangible Personal Property	62,082	147,620	326,304	292,779
Intangible Personal Property				296,591
Fire Protection	1,993			
Additional Billings	6,776	9,475	28,418	15,220
Franchise Corporation	115,255	177,857	697,742	
Increased Through Erroneous Assessments	668	1,686	6,150	1,389
Penalties	6,607	14,074	39,787	12,077
Adjusted to Sheriff's Receipt	<u>(31)</u>	<u>31</u>	<u>1</u>	<u>12</u>
Gross Chargeable to Sheriff	<u>\$ 881,546</u>	<u>\$ 1,807,264</u>	<u>\$ 5,326,848</u>	<u>\$ 1,845,872</u>
<u>Credits</u>				
Discounts	\$ 9,330	\$ 19,914	\$ 55,923	\$ 25,936
Exonerations	13,659	28,765	93,514	23,676
Delinquents:				
Real Estate	39,164	83,617	245,463	69,877
Tangible Personal Property	461	751	2,439	1,514
Intangible Personal Property				381
Total Credits	<u>\$ 62,614</u>	<u>\$ 133,047</u>	<u>\$ 397,339</u>	<u>\$ 121,384</u>
Net Tax Yield	\$ 818,932	\$ 1,674,217	\$ 4,929,509	\$ 1,724,488
Less: Commissions (a)	<u>35,092</u>	<u>71,154</u>	<u>112,476</u>	<u>73,578</u>
Net Taxes Due	\$ 783,840	\$ 1,603,063	\$ 4,817,033	\$ 1,650,910
Taxes Paid	782,620	1,600,346	4,818,692	1,649,383
Refunds(Current and Prior Year)	<u>316</u>	<u>749</u>	<u>2,065</u>	<u>2,058</u>
Due Districts or (Refunds Due Sheriff) as of Completion of Fieldwork	<u>\$ 904</u>	<u>\$ 1,968</u>	<u>\$ (3,724)</u>	<u>\$ (531)</u>

(a), (b), and (c) See Page 4

GREENUP COUNTY
 EARL R. MARSHALL, FORMER SHERIFF
 SHERIFF'S SETTLEMENT - 1997 TAXES
 July 14, 1999
 (Continued)

(a) Commissions:

10% on	\$	10,000
4.25% on	\$	4,207,637
2.5% on	\$	2,777,178
2% on	\$	2,152,331

(b) School Districts:

Common School District	\$	(441)
Russell School District		(514)
Raceland School District		(2,769)
		<hr/>

(Refunds Due Sheriff)	\$	(3,724)
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(c) Special Taxing Districts:

Library District	\$	355
Health District		296
Extension District		135
City of South Shore		56
City of Greenup		(144)
Ambulance District		1,227
South Shore Fire District		142
Wurtland Fire District		154
Lloyd Fire District		(252)
Maloneton Fire District		105
Oldtown Fire District		(7)
Firebrick Fire District		(52)
Littly Sandy Fire District		(72)
Load Fire District		25
		<hr/>

Due Districts or (Refunds Due Sheriff)	\$	1,968
		<hr/> <hr/>

The accompanying notes are an integral part of the financial statement.

GREENUP COUNTY
NOTES TO THE FINANCIAL STATEMENT

July 14, 1998

Note 1. Summary of Significant Accounting Policies

A. Fund Accounting

The Sheriff's office tax collection duties are limited to acting as an agent for assessed property owners and taxing districts. A fund is used to account for the collection and distribution of taxes. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

B. Basis of Accounting

The financial statement has been prepared on a cash basis of accounting. Basis of accounting refers to when charges, credits, and taxes paid are reported in the settlement statement. It relates to the timing of measurements regardless of the measurement focus.

Charges are sources of revenue which are recognized in the tax period in which they become available and measurable. Credits are reductions of revenue which are recognized when there is proper authorization. Taxes paid are uses of revenue which are recognized when distributions are made to the taxing districts and others.

C. Cash and Investments

At the direction of the fiscal court, KRS 66.480 authorizes the Sheriff's office to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

Note 2. Deposits

The former Sheriff maintained deposits with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). According to law, the depository institution should pledge sufficient collateral which, together with FDIC insurance, equals or exceeds the amount on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. The former Sheriff maintained deposits at three different banks during 1997 tax collections. Pledged collateral and FDIC insurance were adequate at two of these banks. However, as of November 10, 1997, the uncollateralized amount on deposit at Kentucky Bank and Trust was \$1,878,879. The pledged collateral and FDIC insurance did not equal or exceed the amount on deposit. In addition, the former Sheriff did not have a written agreement with any of the three depository institutions.

GREENUP COUNTY
NOTES TO THE FINANCIAL STATEMENT
July 14, 1998
(Continued)

Note 3. Property Taxes

The real and personal property tax assessments were levied as of January 1, 1997. Property taxes were billed to finance governmental services for the year ended June 30, 1998. Liens are effective when the tax bills become delinquent. The collection period for these assessments was September 19, 1997 through May 31, 1998.

Note 4. Interest Income

The former Greenup County Sheriff earned \$5,651 as interest income on 1997 taxes. The former Sheriff did not distribute any of the interest income to the school districts as required by statute. Instead, he distributed all interest income to his official fee account. The former Sheriff should return \$2,928 from his official fee account to his tax account and pay interest income to the school districts as noted in our accompanying comments and recommendations.

Note 5. Subsequent Event

The former Sheriff filed a lawsuit claiming NOW account interest earned on tax collections was not investment income which would be partially due the school districts. The courts have ruled against the Sheriff and the interest is due the schools.

GREENUP COUNTY
EARL R. MARSHALL, FORMER SHERIFF
SCHEDULE OF EXCESS OF LIABILITIES OVER ASSETS

July 14, 1998

Assets

Cash in Bank		\$	599
Deposits in Transit			53,136
Receivables:			
1994 Tax Overpayment Receivable-			
State	\$	2,724	
Little Sandy Fire District		309	
Wurtland Fire District		664	3,697
1995 Tax Overpayment Receivables-			
State	\$	1,714	
Common School District		19	
Russell School District		6	
Raceland School District		13	
Library District		9	
Health District		2	
Lloyd Fire District		2	
Load Fire District		16	
Ambulance District		288	2,069
1996 Tax Overpayment Receivables-			
Greenup County Fiscal Court	\$	484	
Common School District		959	
Library District		41	
Extension District		113	
South Shore Fire District		532	
Oldtown Fire District		1,664	
Firebrick Fire District		158	
Little Sandy Fire District		397	
Load Fire District		190	
City of South Shore Fire District		826	5,364
1997 Tax Overpayment Receivables-			
State District	\$	531	
Common School District		441	
Russell School District		514	
Raceland School District		2,769	
City of Greenup		144	
Lloyd Fire District		251	
Oldtown Fire District		7	
Firebrick Fire District		52	
Little Sandy Fire District		72	4,781

EARL R. MARSHALL, FORMER SHERIFF
 SCHEDULE OF EXCESS OF LIABILITIES OVER ASSETS
 July 14, 1998
 (Continued)

Receivables: (Continued)

Due From Fee Account-

1994 Tax Overpayment Refunds	\$	7,626	
1995 Tax Overpayment Refunds		8,876	
1995 Commission Overpayment		357	
1996 Tax Overpayment Refunds		8,345	
November 1996 Russell School District Commission		28,750	
1997 Commission Overpayment		4,712	
1997 Interest Overpayment		2,928	\$ 61,594

Total Assets \$ 131,240

Liabilities

Paid Obligations-

Outstanding Checks \$ 37,298

Unpaid Obligations-

1995 Taxes Due Districts-

Greenup County Fiscal Court	\$	133	
Extension District		8	141

1996 Taxes Due Districts-

Russell School District	\$	779	
Raceland School District		774	
Health District		5,293	
Wurtland Fire District		401	
Lloyd Fire District		839	
Maloneton Fire District		1,350	
Ambulance District		251	
City of Greenup		710	10,397

1997 Taxes Due Districts-

County District	\$	904	
Library District		355	
Health District		296	
Extension District		135	
City of South Shore Fire District		56	
Ambulance District		1,227	
South Shore Fire District		142	
Wurtland Fire District		154	
Maloneton Fire District		105	
Load Fire District		25	3,399

SCHEDULE OF EXCESS OF LIABILITIES OVER ASSETS

July 14, 1998

(Continued)

Unpaid Obligations- (Continued)

1995 Investment Interest-		
Common School District	\$ 63	
Russell School District	60	
Raceland School District	<u>23</u>	\$ 146
1996 Checking Account Interest-		
Common School District	\$ 1,257	
Russell School District	1,247	
Raceland School District	<u>448</u>	2,952
1997 Checking Account Interest-		
Common School District	\$ 1,267	
Russell School District	1,274	
Raceland School District	<u>331</u>	2,872
Amounts Due To Fee Account-		
1993 Unmined Coal Commission	\$ 259	
1995 Checking Account Interest	1,983	
1995 Investment Interest	6	
1995 Sheriff's Fees	176	
1995 Line of Credit Repaid By Fee Account	18,000	
1996 Checking Account Interest	3,063	
Transfer Due Fee Account	<u>68,736</u>	92,223
1995 Advertising Fees Due Greenup County Fiscal Court		<u>440</u>
Total Liabilities		<u>\$ 149,868</u>
Cumulative Deficit As of July 14, 1998		<u><u>\$ (18,628)</u></u>

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COMMENTS AND RECOMMENDATIONS

GREENUP COUNTY
EARL R. MARSHALL, FORMER SHERIFF
COMMENTS AND RECOMMENDATIONS

July 14, 1998

STATE LAWS AND REGULATIONS:

1. Former Sheriff Earl R. Marshall Should Eliminate The Deficit In His 1997 Tax Account

Former Sheriff Earl R. Marshall has a cumulative deficit of \$18,628 in his official tax account as of July 14, 1998. This cumulative deficit indicates that the prior year deficit of \$17,809 has not been eliminated. The current deficit results largely from the prior year deficit of \$17,809 plus an additional shortage of \$819 for the current tax year. The former Sheriff can eliminate this deficit by collecting all receivables listed in the 1998 tax settlement audit.

Former Sheriff Earl R. Marshall's Response:

None.

2. Former Sheriff Earl R. Marshall Should Have Paid The Boards Of Education Their Proper Share Of Interest Earned On Investment Of School Taxes

Pursuant to KRS 134.140(3)(b), the Sheriff's office shall pay to the Boards of Education their proper share of interest earned on investment of school taxes. The proper share shall be determined by comparing the school tax to the total taxes collected and using that percentage as a factor. Total interest earned on 1997 taxes was \$5,651. The Common School District's share is \$1,267, the Russell School District's share is \$1,274, and the Raceland School District's share is \$331. The former Sheriff has not paid anything to the schools, leaving the above amounts due at the date of this audit. We recommended in our 1995 Sheriff Tax Settlement audit procedures which would have resulted in payment of these amounts.

Former Sheriff Earl R. Marshall's Response:

Greenup School has already made an agreement to accept interest as due.

Auditor's Reply:

The statute mandates payment by the former Sheriff to all three of the boards of education of Greenup County their proper share of interest earned as set out in this comment, notwithstanding any contractual agreement to the contrary.

3. Former Sheriff Earl R. Marshall's County Revenue Bond Should Have Adequately Protected The County From Potential Loss

KRS 134.230 allows the fiscal court to require the Sheriff's office to obtain a county revenue bond. As of the audit date, the amount of the former Sheriff's county revenue bond was \$250,000. In our opinion, this amount was insufficient to adequately protect the county from potential loss. We recommend the fiscal court review the county revenue bond of the Sheriff's office and take appropriate action necessary to ensure that the county is adequately protected.

Former Sheriff Earl R. Marshall's Response:

Agree that bond was not enough but fiscal court would not pay premium so no bond was obtained.

GREENUP COUNTY
EARL R. MARSHALL, FORMER SHERIFF
COMMENTS AND RECOMMENDATIONS
July 14, 1998
(Continued)

4. Former Sheriff Earl R. Marshall Should Not Have Made Transfers Between The Tax Account And Fee Account

Former Sheriff Earl R. Marshall made numerous transfers between the tax account and fee account during the 1997 tax year. This practice commingles tax and fee account monies that should be kept separate at all times. KRS 134.170(3) forbids the use of tax monies for purposes other than that for which they were collected. Tax collections may not be used to fund fee account operations. Tax commissions may be transferred to the fee account, but tax collections may not be used to fund fee account operations. Further, the former Sheriff did not record unpaid transfers as a liability, creating a misstatement of the cash balance for each account. We recommend the Sheriff's office refrain from transferring funds between the tax and fee accounts (other than normal commission transfers).

Former Sheriff Earl R. Marshall's Response:

I feel that all transfers have been repaid.

5. Former Sheriff Earl R. Marshall Should Have Required Depository Institutions To Pledge Additional Securities of \$1,878,879 As Collateral And Entered Into A Written Agreement To Protect Deposits

Former Sheriff Earl R. Marshall maintained deposits at three different banks during 1997 tax collections. Deposits at two of these banks were adequately secured. However, the former Sheriff's deposits at Kentucky Bank and Trust were not adequately secured by \$1,878,879 as of November 10, 1997. Under provisions of KRS 66.480(1)(d) and KRS 41.240(4), banks are required to provide collateral for interest-bearing and noninterest-bearing deposits if either exceeds the \$100,000 amount of insurance coverage provided by the Federal Deposit Insurance Corporation. The Sheriff's office should require depository institutions to pledge sufficient collateral to secure deposits at all times. We also recommend the Sheriff's office enter into a written agreement with the depository institutions. According to federal law, 12 U.S.C.A. § 1823(e), this agreement should be (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution.

Former Sheriff Earl R. Marshall's Response:

Understand

GREENUP COUNTY
EARL R. MARSHALL, FORMER SHERIFF
COMMENTS AND RECOMMENDATIONS
July 14, 1998
(Continued)

PRIOR YEAR:

In our prior year audit, we reported the following items that were not corrected and are included in our current year audit.

- Former Sheriff Earl R. Marshall Should Eliminate The Deficit In His Tax Account
- Former Sheriff Earl R. Marshall Should Have Required Depository Institutions To Pledge Additional Collateral And Entered Into A Written Agreement To Protect Deposits
- Former Sheriff Earl R. Marshall Should Have Paid The Boards of Education Their Proper Share Of Interest Earned On Investment Of School Taxes
- Former Sheriff Earl R. Marshall's County Revenue Bond Should Have Adequately Protected The County From Potential Loss
- Former Sheriff Earl R. Marshall Should Not Have Made Transfers Between The Tax Account And Fee Account

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REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF THE FINANCIAL STATEMENT
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



Edward B. Hatchett, Jr. Auditor of Public Accounts

Honorable Robert W. Carpenter, Greenup County Judge/Executive
Honorable Keith Martin Cooper, Greenup County Sheriff
Honorable Earl R. Marshall, Former Greenup County Sheriff
Members of the Greenup County Fiscal Court

Report On Compliance And On Internal Control Over Financial Reporting Based On An Audit Of The Financial Statement Performed In Accordance With Government Auditing Standards

We have audited the former Greenup County Sheriff's Settlement - 1997 Taxes as of July 14, 1998, and have issued our report thereon dated May 25, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying comments and recommendations.

- Former Sheriff Earl R. Marshall Should Eliminate The Deficit In His 1997 Tax Account
- Former Sheriff Earl R. Marshall Should Have Paid Boards Of Education Their Proper Share Of Interest Earned On Investment Of School Taxes
- Former Sheriff Earl R. Marshall Should Not Have Made Transfers Between The Tax Account And Fee Account

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the former Greenup County Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statement. We consider the following findings reportable conditions.

Honorable Robert W. Carpenter, Greenup County Judge/Executive
Honorable Keith Martin Cooper, Greenup County Sheriff
Honorable Earl R. Marshall, Former Greenup County Sheriff
Members of the Greenup County Fiscal Court
Report On Compliance And On Internal Control
Over Financial Reporting Based On An Audit Of The Financial
Statement Performed In Accordance With Government Auditing Standards
(Continued)

Internal Control Over Financial Reporting (Continued)

- Former Sheriff Earl R. Marshall Should Eliminate The Deficit In His 1997 Tax Account
- Former Sheriff Earl R. Marshall Should Have Paid Boards Of Education Their Proper Share Of Interest Earned On Investment Of School Taxes
- Former Sheriff Earl R. Marshall Should Not Have Made Transfers Between The Tax Account And Fee Account

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable conditions described above to be material weaknesses.

This report is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than the specified party. However, this report, upon release by the Auditor of Public Accounts, is a matter of public record and its distribution is not limited.

Respectfully submitted,



Edward B. Hatchett, Jr.
Auditor of Public Accounts

Audit fieldwork completed -
May 25, 2000

